

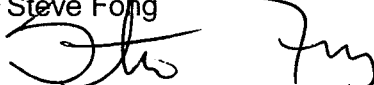
STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 02/15)

Fiscal Year 2016-17	Business Unit 3980	Department Office of Environmental Health Hazard Assessment	Priority No. 1
Budget Request Name 3980-001-BCP-BR-2016-GB		Program 3730	Subprogram

Budget Request Description
Proposition 65 - Permanent workload

Budget Request Summary

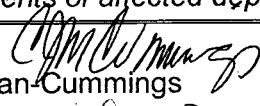
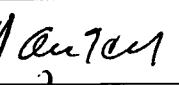


The Office of Environmental Health Hazard Assessment (OEHHA) requests 4.0 limited-term positions to be converted to permanent status and \$114,000 in annual contracts for a total of \$646,000 from the Safe Drinking Water and Toxic Enforcement Fund. This proposal covers the ongoing workload associated with the new regulation on warnings, the creation of the Proposition 65 website for the general public, responding to increased litigation, completing additional regulatory actions addressing several complex scientific and legal issues around calculating safe harbor levels, background levels of certain chemicals in foods and addressing other critical regulatory issues.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO Steve Fong 	Date

For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance.

☐ FSR ☐ SPR Project No. Date:

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By Carol Monahan-Cummings 	Date 1-5-16	Reviewed By Allan Hirsch 	Date 1-6-16
Department Director Lauren Zeise, Acting Director 	Date 1/6/16	Agency Secretary Matthew Rodriguez 	Date 1/6/16

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

BCP Type: ☐ Policy ☐ Workload Budget per Government Code 13308.05

PPBA	Original Signed By: Ellen Moratti	Date submitted to the Legislature 1/7/16
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Analysis of Problem

A. Budget Request Summary

The Office of Environmental Health Hazard Assessment requests 4.0 limited -term positions to be converted to permanent and \$114,000 in contracts for a total appropriation of \$646,000 from the Safe Drinking Water and Toxic Enforcement Fund in 2016-17. These resources will allow OEHHA to address the ongoing workload associated with the implementation of several new regulatory actions and to maintain the Proposition 65 website. This request is directly related to the budget proposal in 2014/15, which focused on improving the implementation of the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) via two specific regulatory proposals. Since that time, the scope of the regulatory actions needed has expanded significantly. This proposal will allow OEHHA to:

- Update existing Proposition 65 regulations to address recent legal decisions.
- Maintain the Proposition 65 website.
- Develop scientific content for inclusion on the new website for chemicals listed under Proposition 65.

B. Background/History

Proposition 65 is a “right-to-know” law that requires businesses to warn individuals when the businesses knowingly expose individuals to a chemical listed by the State of California as known to cause cancer or reproductive toxicity. The law has provided Californians with general information about exposures to hazardous chemicals and has resulted in the reformulation of products to make them safer by reducing or eliminating listed chemicals.

Proposition 65 enforcement actions have led businesses to reduce exposures to diesel exhaust emissions from port facilities, acrylamide in snack foods, and lead in calcium supplements, Mexican candies, and children’s jewelry.

In 2013, the Brown Administration directed OEHHA to develop a regulation to make Proposition 65 warnings more informative and meaningful. To provide the resources to develop the regulation, the 2014-15 and 2015-16 budgets included 4.0 limited-term positions for OEHHA. Since that time, the project has evolved into a package of two proposed regulations: a regulation pushing businesses to provide more information of use to the public in Proposition 65 warnings, and a regulation requiring OEHHA to operate a website with important information on Proposition 65 chemicals and warnings. These regulations have attracted a very high level of interest from businesses and non-governmental organizations, and OEHHA is expending significant time reviewing public comments, meeting with stakeholder groups, and developing regulatory amendments to address stakeholder concerns.

In recent years, OEHHA’s overall Proposition 65 workload has also increased significantly due to trends that both created new tasks and increased the time and resources needed to complete ongoing tasks. The principal trends are:

- *Listed chemicals in food.* In recent years, authoritative scientific organizations such as the U.S. Environmental Protection Agency, the federal National Toxicology Program, and the International Agency for Research on Cancer have focused more evaluations on chemicals found in or added to foods or food packaging. When these bodies formally identify a chemical as causing cancer or reproductive toxicity, OEHHA is required to initiate the Proposition 65 listing process. Food, grocery, and agricultural organizations generally contest these listings, requiring OEHHA to expend considerable resources on scientific evaluations, meeting with stakeholders, and responding to stakeholder comments that raise scientific and legal objections to the listings.
- *Increasing litigation.* Stakeholder groups with increasing frequency have filed lawsuits with the intent of preventing or overturning listings, or influencing when businesses are required to provide warnings. Examples include current litigation filed in January 2015 primarily concerning the safe harbor level for lead as it applies to foods, a case filed in March 2014 and a related case filed in July 2015 intended to prevent the listing of several herbicides, litigation in 2014

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intended to overturn the listing of Diisononyl phthalate (DINP), a plasticizer used in many consumer products, and a March 2013 case concerning Bisphenol A (BPA) (a chemical used in food-can linings). These legal challenges add to OEHHA's workload.

OEHHA also expends considerable resources on providing compliance assistance to businesses regarding exposures to listed chemicals in food and other consumer products. For example, the 2013 listing of DINP to date has generated four separate requests from businesses for OEHHA to make Safe Use Determinations on whether the products require Proposition 65 warnings. Making these determinations is labor-intensive, as OEHHA must review a considerable volume of information on the chemical content of these products and the way they release DINP. While OEHHA is eventually reimbursed for some of this work, scientific, legal and managerial staffs are all involved in this work.

In another ongoing example, OEHHA is currently working to identify naturally occurring levels of arsenic in rice. This information is needed to address legal questions raised in Proposition 65 lawsuits about the need for Proposition 65 warnings in rice products. OEHHA's guidance is critical to prevent unnecessary warnings that would needlessly raise public concern about the safety of rice, while at the same time ensuring that Proposition 65 warnings can alert the public to rice products that do have elevated arsenic levels.

These compliance-assistance projects can and have discouraged unnecessary warnings and lawsuits against businesses for exposures to chemicals from foods and consumer projects, but they represent a considerable workload for OEHHA. As more food and consumer-product related chemicals are listed in the future, similar compliance-assistance efforts will likely be necessary.

- *The "ELF vs. Beech-Nut" decision.* In 2014, an appellate court decision involving lead in baby food and other children's food products significantly changed the ways that warnings for lead and other chemicals have been handled under Proposition 65 for the last 26 years. Although OEHHA was not a party to that lawsuit, OEHHA has been sued by the Mateel Environmental Justice Foundation and formally petitioned by the Center for Environmental Health (CEH) to address regulatory issues raised by the *ELF v. Beech-Nut* decision. The workload involved in developing and implementing significant new technically and legally complex regulations addressing lead and other chemicals in food will be significant.

In *Environmental Law Foundation vs. Beech-Nut Corp. et al.*, both the trial and appellate courts interpreted OEHHA regulations as allowing methods that OEHHA believes are scientifically inappropriate to show that Proposition 65 warnings are not required for lead and other listed chemicals in foods. In addition to having to address demands from Mateel and CEH, OEHHA believes it has a duty as the lead agency for Proposition 65 implementation to clarify the methods and information that businesses and enforcers should use to determine if specific foods require Proposition 65 warnings for lead and other chemicals.

To address these issues, OEHHA is beginning the pre-regulatory process for a package of four regulations covering how listed chemicals should be measured in food, how public exposure to listed chemicals in food should be calculated, how naturally occurring levels of lead and other listed chemicals in food should be estimated, and a revised Maximum Allowable Dose Level identifying a level or levels of lead in food that would not require a Proposition 65 warnings.

In addition to being scientifically and legally complex, this regulatory package will be highly contentious among stakeholders. Moreover, while much of the initial focus on this regulatory package will be on lead and arsenic. OEHHA anticipates an ongoing effort will be necessary to apply these regulatory measures to other listed chemicals.

These and other current Proposition 65 activities generate a significant workload for the 23 filled OEHHA positions assigned to the program. OEHHA currently receives \$4.5 million (approximately one-half from the General Fund and one-half from the Safe Drinking Water and Toxic Enforcement Act Fund [SDWTEF]) to carry out duties as the lead agency for implementation of Proposition 65. These duties consist of maintaining the Proposition 65 chemical list, administering the program's two expert scientific

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panels, evaluating chemicals for listing, developing “safe harbor numbers” that identify levels of exposure to listed chemicals that require warnings, updating existing Proposition 65 regulations, and responding to lawsuits that challenge these activities. The activities in this proposal are a continuation of the work initiated with the major overhaul of the original Proposition 65 regulations and the development of the website. OEHHA’s current budget is insufficient to support the follow-up work associated with the major new regulatory actions and associated legal challenges necessary to improve Proposition 65 implementation. To develop and maintain hundreds of pages of chemical-specific exposure materials and other content for the website, and to perform necessary system support and upgrades, converting the IT and scientific staff positions to permanent is essential.

This proposal requests funding from the SDWTEF. The SDWTEF contains revenues from Proposition 65 penalties paid by businesses that violate the requirements of Proposition 65, and is intended as a supplemental source of Proposition 65 program funding. The fund currently has a balance and can support the ongoing financial commitment.

Resource History
(Dollars in thousands)

Program Budget	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Authorized Expenditures	3,891	4,372	4,421	4,536	5,784	5,146
Actual Expenditures	3,613	4,024	4,271	4,109	3959	5146
Revenues*	2,286	2,559	3,348	3,390	3388	2020
Authorized Positions	24.5	23.7	23.2	23.2	27.2	27.2
Filled Positions	21.8	21.9	23.0	22.6	25.5	27.2
Vacancies	2.7	1.8	0.2	0.6	1.7	0

*Revenues reflected are only for the Safe Drinking Water and Toxic Enforcement Fund. The program is funded partly with General Fund.

Proposition 65 workload cannot be accurately characterized with a conventional workload matrix. This is because the workload required to accomplishing key scientific tasks – such as adding a chemical to the Proposition 65 list or developing a “safe harbor” number that guides compliance with the statute – can vary greatly depending on the complexity of the task and stakeholder interest. For example, the listing of a non-controversial chemical via Proposition 65’s ministerial Labor Code mechanism can require as little as a dozen staff hours to prepare and file the necessary regulatory notices. Conversely, more than 2 positions might be needed for several months to list a single chemical via the authoritative bodies or “state’s qualified experts” mechanisms, particularly if the listing involves large amounts of scientific data. Such listings require OEHHA to conduct detailed chemical evaluations, review thousands of pages of scientific materials, and review and respond to stakeholder comments.

In light of the need to meet its increasing Proposition 65 workload – contentious listing decisions, increasing litigation, growing demands for compliance assistance, implementation of the warning regulation, development and implementation of a new website for the public, and a new regulatory package to address issues raised by the ELF v. Beech-Nut Corp. decision – OEHHA must retain its four limited-term positions on a permanent basis. Converting these positions to permanent will enable OEHHA to manage these ongoing commitments over the long-term.

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Workload History

Workload Measure	2010/11	2011/12	2012/13	2013/14	2014/15
Email/telephone inquiries from businesses and the public	3380	3330	3450	3520	3590
Additions and Removals of Chemicals from Proposition 65 List	22	16	10	42	18
Hazard Identification Documents for State's Qualified Experts (SQE)	3	2	4	20	3
Listing Related Public Comment Submissions addressed (legal and scientific)	31	107	39	20	66
Proposed Regulatory Rulemaking/Initial Statement of Reasons	5	12	15	1	5
Regulatory Public Comment Submissions (legal and scientific)	3	13	41	1	118
Adopted Regulations/Final Statement of Reasons	6	6	8	8	8
Compliance consultation meetings with stakeholders	20-30	30-40	30-40	40-50	80-90
Litigation Defense, number of active cases (work includes document preparation, document review, coordination with Attorney General's Office, legal research, coordination with scientific staff, discovery including document retrieval, review, preparation of privilege logs and production, motion practice, settlement negotiations, strategy meetings, meet and confer meetings with opposing counsel, appeals.)	5	5	4	5	7 YTD
Prelitigation - includes work such as legal research, discussions with stakeholder counsel, discussions with Attorney General's Office, review and response to letters.	10-15	10-15	20-25	20-25	25-30

C. State Level Considerations

The Proposition 65 warning and website regulations stem from a desire to improve Proposition 65 so that Californians are better informed concerning exposures to carcinogens and reproductive toxicants, affected businesses have a reasonable level of certainty that they will not be sued for inadequate warnings and to update the regulations to reflect current scientific knowledge and methodology. In Governor Brown's May 7, 2013 press release that announced the Administration's Proposition 65 reform efforts, Cal/EPA Secretary Matt Rodriguez said, "Proposition 65 serves a vital public interest. It provides the public with information about carcinogens and toxins that may be present in the products we use in our everyday lives. But for Proposition 65 to be effective, this information must be clearly stated..." One of the reforms cited in the press release was: "Require more useful information to the public on what they are being exposed to and how they can protect themselves."

OEHHA's other Proposition 65 activities help ensure that Californians are informed of exposures to chemicals that cause cancer or reproductive toxicity, a requirement created by the voters' approval of Proposition 65 in 1986. Defending listings against stakeholder lawsuits, providing compliance assistance to businesses, and using the regulatory process to address scientific issues created by the ELF vs. Beech-Nut and future court decisions all help support use of the best scientific processes and information to determine when Californians should be informed of their exposure to chemicals that are known to cause cancer, birth defects and other reproductive harm.

No other state departments would be directly impacted by this proposal. The Office of the Attorney General is the state entity that enforces Proposition 65. OEHHA will continue to work closely with the Attorney General's Office to ensure the on-going regulatory process does not negatively impact Attorney General enforcement efforts. The proposal will not change any Attorney General authorities or responsibilities regarding Proposition 65 enforcement.

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D. Justification

This proposal addresses the ongoing workload associated with the implementation of several major Proposition 65 regulatory reforms and updates to existing Proposition 65 regulations and the maintenance and upkeep of the Propositions 65 website. This work is necessary in order to implement the full intent of Proposition 65 as applied to Californians who are being exposed to chemicals that are known to cause cancer, birth defects and other reproductive harm.

To implement this proposal, OEHHA is requesting: 1 Attorney III, 1 Associate Governmental Program Analyst, 1 Staff Toxicologist, and 1 Associate Programmer Analyst to be converted to permanent and is requesting \$114,000 in ongoing contract funding. The activities contained in this proposal can be grouped into five categories:

1. OEHHA completes and implements regulations addressing the content and methods of warnings businesses must provide directly to individuals prior to exposure to a listed chemical, as well as specifying additional information that businesses will either have to include in their warnings.
2. OEHHA launches, maintains, operates, and performs upkeep and upgrade activities for the Proposition 65 website.
3. OEHHA develops hundreds of pages of scientific and technical content for the website for almost 900 chemicals listed under Propositions 65 and the myriad locations and products that can cause exposures to those chemicals.
4. OEHHA develops needed new regulations to clarify how lead and other chemicals in food should be addressed.
5. OEHHA provides needed compliance assistance to address questions over whether Proposition 65 warnings are needed for chemicals in foods and consumer products.

E. Outcomes and Accountability

Projected Outcomes

Attorney III

Workload Measure	2015-16	2016-17	2017-18
Update existing regulatory framework and follow-up work to fully implement the complex Proposition 65 warning regulation.	Bring Proposition 65 major regulatory process to adoption-approximately 200 hours	Four high profile regulatory proposals approximately 300 hours	Bring high profile regulatory proposals to adoption approximately 200 hours
Ensure all rulemaking files are complete and withstand critical review by the Office of Administrative Law (OAL). Serve as OAL liaison within the Office.	Approximately 100 hours of compliance and liaison work	Approximately 100 hours of compliance and liaison work	Approximately 100 hours of compliance and liaison work
Prepare timely and legally sound "response to comments" documents.	Comments for regulations and draft regulations read, summarized, researched and responded to (as needed) at least 300 hours	Comments for regulations and draft regulations read, summarized, researched and responded to (as needed) at least 300 hours	Comments for regulations and draft regulations read, summarized, researched and responded to (as needed) at least 300 hours
Meetings with stakeholders and development of proposed regulatory actions on warning methods	At least 200 hours of meetings	At least 200 hours of	At least 200 hours of

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and content.		meetings	meetings
Legal research projects supporting the development and defense of regulations.	At least 450 hours of legal research	At least 450 hours of legal research	At least 450 hours of legal research
Research and provide answers to questions from the public and businesses, where specialized legal information is required.	As many as 10 questions per week (based on current volume) – 100 hours	As many as 10 questions per week (based on current volume) – 100 hours	As many as 10 questions per week (based on current volume) – 100 hours
OEHHA's other programs and activities are fully staffed and supported while Chief Counsel works on legal and policy issues surrounding the proposed regulations.	Approximately 150 hours of "back up" support	Approximately 150 hours of "back up" support	Approximately 150 hours of "back up" support
Provide legal support and research in the event of legal challenges of regulatory actions and related litigation.	Up to 100 hours of research	Up to 100 hours of research	Up to 100 hours of research

Associate Governmental Program Analyst

Workload Measure	2015-16	2016-17	2017-18
Provide litigation support to the attorneys and other legal staff including tracking legal document reviews. Serve as liaison with staff at the Attorney General's Office in managing case records, document discovery, preparation of privilege logs and other litigation related work.	Support attorney staff on as many as seven active cases with on-going discover and related work in at least 3 cases. 350 hours.	Support attorney staff on as many as seven active cases with on-going discover and related work in at least 3 cases. 350 hours	Support attorney staff on as many as seven active cases with on-going discover and related work in at least 3 cases. 350 hours.
Manage legal record keeping functions for all shared materials on the network and hard-copy records maintained in the Legal Office and related legal storage.	Ensure that all case files are organized and up to date. Maintain list of electronic and hard-copy records. File documents appropriately and maintain adequate record keeping for general legal materials and Chief Counsel's office. 250 Hours.	Ensure that all case files are organized and up to date. Maintain list of electronic and hard-copy records. File documents appropriately and maintain adequate record keeping for general legal materials and Chief Counsel's office. 250 Hours.	Ensure that all case files are organized and up to date. Maintain list of electronic and hard-copy records. File documents appropriately and maintain adequate record keeping for general legal materials and Chief Counsel's office. 250 Hours.
Manage responses to complex Public Records Act Requests including those related to litigation. Serve as back-up PRA Coordinator.	Approximately 200 hours.	Approximately 200 hours.	Approximately 200 hours.
Draft correspondence on legal issues related to OEHHA's work and provide administrative support to the Chief Counsel.	150 hours	150 hours	150 hours
Provide back-up to implementation and legal staff to schedule regulatory hearings, workshops and	Approximately 150 hours.	Approximately 150 hours.	Approximately 150 hours.

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other public meetings.			
Provide general legal support and research on issues related to OEHHHA programs.	Up to 250 hours of legal research	Up to 250 hours of legal research	Up to 250 hours of legal research
Provide legal support for the collection and review of documents responsive to PRA and discovery related to regulatory actions and other Proposition 65 related activities.	200 hours of document retrieval and first level review	200 hours of document retrieval and first level review	200 hours of document retrieval and first level review

Staff Toxicologist

Workload Measure	2015-16	2016-17	2017-18
Provide scientific guidance and support for regulation development and adoption, including: Scientific criteria for selecting chemicals that must be named in the warning, scientific basis for naming chemicals in location or product-specific	Bring one regulatory process to adoption. Provide guidance on subsequent regulatory packages and advise compliance plans. – 800 hours	Provide guidance on subsequent regulatory packages and advise compliance plans. – 500 hours	Provide guidance on regulatory packages and advise compliance plans. – 200 hours
Research, develop and make available through the web-application general technical and scientific information such as fact sheets on each Proposition 65 chemical listed (over 800) and location or product-specific exposure information including fact sheets. This includes chemical specific information that includes the hazards associated with the chemical, common routes of exposure, strategies for reducing or avoiding exposure to those chemicals.	5 fact sheets – 700 hours	Prioritize chemicals for fact sheet development. Plus 5 fact sheets – 1000 hours	15 fact sheets – 1200 hours
Assist in prioritizing chemicals for fact sheets.	Consumers advised of most prevalent, important chemicals – 80 hours	Consumers advised of most prevalent, important chemicals – 80 hours	Consumers advised of most prevalent, important chemicals – 180 hours
Provide advice and guidance as to the presentation of scientific concepts in all public materials.	Public materials and website supported by strong science – 220 hours	Public materials and website supported by strong science – 220 hours	Public materials and website supported by strong science – 220 hours

Associate Programmer Analyst

Workload Measure	15/16	16/17	17/18
Layout framework and design for “portal” website; program, test and launch site	Website is functional and beneficial to the public 500 hours	Website continues to function as planned and design is kept current with emerging technologies and changing regulations 240 hours	Website continues to function as planned and design is kept current with emerging technologies and changing regulations 240 hours
Manages projects and directs teams of programmers (including contracted services) that design, develop and maintain the associated relational/web-enabled databases	Databases adequately support the use of the website. 300 hours	Databases are maintained in an operational condition and are modified to accommodate new P 65 information	Databases are maintained in an operational condition and are modified to accommodate new P 65 information

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		320 hours	320 hours
Perform technical trouble shooting and problem resolution. Provide technical services and solutions to the user community	Technology issues resolved quickly; no complaints or easily resolved complaints 160 hours	Technology issues resolved quickly; no complaints or easily resolved complaints 240 hours	Technology issues resolved quickly; no complaints or easily resolved complaints 240 hours
Provide direct ongoing support of the enabling technologies required to maintain and operate the Proposition 65 website. Monitor and maintain required information submitted from the business and scientific communities via web form.	Proposition 65 service level agreements are attained or exceeded 140 hours	Proposition 65 service level agreements are attained or exceeded 240 hours	Proposition 65 service level agreements are attained or exceeded 240 hours
Provide ongoing impact and assessment analysis as Proposition 65 regulations change to ensure departmental standards are followed and that the solution meets quality assurance criteria	Website meet quality assurance criteria, function as specified and meet performance goals Hours 120	Website meet quality assurance criteria, function as specified and meet performance goals Hours 200	Website meet quality assurance criteria, function as specified and meet performance goals Hours 200
Participate in the development of information security policies and procedures that are in compliance with the appropriate state security regulations that impact OEHHHA information systems Perform regular client-server infrastructure vulnerability scans and risk assessments of various OEHHHA automated systems.	Proposition 65 website and associated OEHHHA information are secure; firewalls are in place and current with all patches; and intruders are detected and identified. 300 hours	Proposition 65 website and associated OEHHHA information are secure; firewalls are in place and current with all patches; and intruders are detected and identified. 300 hours	Proposition 65 website and associated OEHHHA information are secure; firewalls are in place and current with all patches; and intruders are detected and identified. 300 hours
Provide technical presentations to all levels of management and staff as needed	Effective presentations needed to inform or train staff 80 hours	Effective presentations needed to inform or train staff 80 hours	Effective presentations needed to inform or train staff 80 hours
Offer information about emerging technologies to OEHHHA program staff in support of further automating the implementation of Proposition 65 regulations	Enabling technologies are leveraged to effectively implement Proposition 65 regulations. Hours 100	Enabling technologies are leveraged to effectively implement Proposition 65 regulations. Hours 100	Enabling technologies are leveraged to effectively implement Proposition 65 regulations. Hours 100

F. Analysis of All Feasible Alternatives

Alternative 1: Approve this BCP and provide OEHHHA with 4 permanent positions and \$646,000 to implement this proposal. OEHHHA will update existing Proposition 65 regulatory framework.

Pros:

- Proposition 65 will become a better “right to know” law that provides Californians with meaningful information about exposures to chemicals that cause cancer and reproductive harm. Californians will be able to make more informed decisions about the products they purchase and locations they enter that may result in chemical exposures.
- One of the Administration’s key objectives for improving Proposition 65 will be achieved.

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- Regulations providing technical and scientific guidance will be updated to reflect current scientific knowledge and approaches
- Critically-needed amendments to address recent court decisions expressing confusion or lack of clarity in interpretation of existing regulations.
- Legal support will be provided for the Office for litigation related to Proposition 65

Cons:

- This is an ongoing commitment of funds from the Safe Drinking Water and Toxic Enforcement Fund.

Alternative 2: Approve this proposal at a reduced level.

Pros:

- This is an ongoing commitment of funds from the Safe Drinking Water and Toxic Enforcement Fund, but at a reduced level.

Cons:

- The reduction extends the timeframes for accomplishing the work.

Alternative 3: Deny this BCP.

Pros:

- No new expenditures from the SDWTEF will be required.

Cons:

- The updates to the remaining Proposition 65 regulations will be delayed. Critical adjustments that are needed to address recent legal decision will not be accomplished. OEHHA will continue to be sued and exposed due to the outdated regulations.

G. Implementation Plan

In anticipation of approval of the Governor's Budget OEHHA will prepare the paperwork for submission to Human Resources to convert the positions to permanent on July 1, 2016.

H. Supplemental Information *(Describe special resources and provide details to support costs including appropriate back up.)*

The \$114,000 in contract funding will cover the ongoing website licensing and hosting, provide periodic feedback regarding website content from focus groups and translations services. These costs are consistent with previous focus group contracted services and licensing and hosting fees.

I. Recommendation

Alternative 1. Approve this BCP and provide OEHHA with 4.0 positions and \$646,000. OEHHA will update existing Proposition 65 regulations to address changes associated with recent legal decisions.

BCP Fiscal Detail Sheet

BCP Title: Proposition 65 – Permanent Workload

DP Name: 3980-001-BCP-DP-2016-GB

Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Positions - Permanent	0.0	4.0	4.0	4.0	4.0	4.0
Total Positions	0.0	4.0	4.0	4.0	4.0	4.0
Salaries and Wages						
Earnings - Permanent	0	310	310	310	310	310
Total Salaries and Wages	\$0	\$310	\$310	\$310	\$310	\$310
Total Staff Benefits	0	147	147	147	147	147
Total Personal Services	\$0	\$457	\$457	\$457	\$457	\$457
Operating Expenses and Equipment						
5301 - General Expense	0	11	11	11	11	11
5302 - Printing	0	4	4	4	4	4
5304 - Communications	0	4	4	4	4	4
5306 - Postage	0	2	2	2	2	2
5308 - Insurance	0	4	4	4	4	4
5322 - Training	0	4	4	4	4	4
5324 - Facilities Operation	0	38	38	38	38	38
5340 - Consulting and Professional Services -	0	114	114	114	114	114
5346 - Information Technology	0	8	8	8	8	8
Total Operating Expenses and Equipment	\$0	\$189	\$189	\$189	\$189	\$189
Total Budget Request	\$0	\$646	\$646	\$646	\$646	\$646

Fund Summary

Fund Source - State Operations						
3056 - Safe Drinking Water and Toxic	0	646	646	646	646	646
Total State Operations Expenditures	\$0	\$646	\$646	\$646	\$646	\$646
Total All Funds	\$0	\$646	\$646	\$646	\$646	\$646

Program Summary

Program Funding						
3730 - Health Risk Assessment	0	646	646	646	646	646
Total All Programs	\$0	\$646	\$646	\$646	\$646	\$646